1990 depending on the banks fulfilling RBI's norms for branch licensing and other procedural aspects for opening new banks.

Discrimination in the matter of granting exemption from capital gains tax

1952. DR. YELAMANCHIL SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that IDBI is exempted from Capital Gains Tax whereas Andhra Pradesh State Financial Corporation and Andhra Pradesh Industrial Development Corporation, which perform similar functions, are not getting any such exemption; and

(b) if so, what are the reasons for the discrimination?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) Under Section 35 of the Industrial Development Bank of India Act, 1964, the IDBI has been exempted from payment of income tax, super tax, super profits tax or any other tax in respect of incomes, profits or gains accruing or arising to them. Such statutory exemptions do not exist in respect of State Financial Corporations and State Industrial Development Corporations. IDBI as the apex financial institution and refinancing agency for various State Financial Corporations and State Industrial Development Corporations, functions as the principal financial institution for coordinating in conformity with national priorities, the working of institutions engaged in financing, promoting or developing industry, for assisting the development of such institutions and for providing credit and other facilities for development of industry. Moreover; the net profits of the IDBI from its general fund are transferred to the Central Government.

Functioning of the Tobacco board

1953. DR. YELAMANCHILI SIVAJI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have received any complaint from more than 20 Congress (I) Legislators of Andhra Pradesh Assembly in the recent past against the functtoning of the Tobacco Board; and

(b) if so, what are the details thereof and what remedial steps are being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSHI): (a) Yes, Sir.

(b) The allegations which related to unwanted restrictions on the number of buyers on auction platforms and exploitation of farmers have however, not been substantiated. Some of the legislators have subsequently informed that they had signed the memorandum without verifying the facts and one MLA wrote that he had not signed the memorandum. After examining the points raised in the memorandum it was found that no action was required on the memorandum.

Practice of holding reserve funds by State Bank of Indore

1954. SHRI YASHWANT SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether the practice of holding reserve funds by State Bank of Indore is still in vogue;

(b) if so, whether Government have issued and guidelines regarding the use of these reserve funds by the Bank;

(c) whether for the purpose of audit of bank accounts these reserve funds are taken into account and their proper utilisation is ensured; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) In accordance with Section 17 of the Banking Regulation Act, 1949, every Banking Company incorporated in

India, including State Bank of Indore, is required to create a reserve fund and shall, out of the balance of profit of each year, as disclosed in the Profit and Loss Account prepared under Section 29 and before any dividend is declared, transfer to the reserve fund a sum equivalent to not less than twenty percent of such profit. Where a Banking Company appropriates any sum or sums from the reserve fund or the share premium account, the fact is required to be reported to the Reserve Bank of India explaining the circumstances relating to such appropriation.

(c) and (d) The Balance Sheet and Profit and Loss Account prepared in accordance with Section 29 of the Banking Regulation Act, 1949, are required to be audited by a person qualified to be an auditor and in terms of Section 30(3) of the aforesaid Act, the auditor has, inter-alia to state in his report that the profit and loss account show a true balance of profit or loss for the period covered by such account.

स्टेट बैंक ऑफ इन्दौर के एक लिपिक के विरुद्ध धोखाधड़ी का मामला

1955. **श्री अशोक नाथ वर्मा:** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या आयकर विभाग को यह जानकारी है कि श्री रतन विजय पंचायती जो कि एक बैंक लिपिक है तथा स्टेट बैंक आफ इंदौर की कर्मचारी यूनियन के नेताओं का समर्थक भी है, के गिरोह ने आपस में मिलकर लाखों रुपए की संपत्ति उपार्जित कर ली है ; यदि हां, तो इसका ब्यौरा क्या है ;

(ख) क्या उनके लिए अपनी आय से इतनी अधिक धनराशि की बचत कर पाना संभव है ;

(ग) यदि नहीं तो क्या उनके पास नकद धनराशि तथा उनके द्वारा दूसरों के नाम में खरीदे गए भवनों और प्लाटों के संबंध में कोई जांच कराई गई है ;

(घ) क्या यह भी सच है कि उन्होंने यह धनराशि कर्मचारियों द्वारा जमा कराए गए चन्दे के खातों से निकाली है और कुछ बैंक अधिकारियों को ब्लैकमेल भी किया है ; और

(ङ) यदि हां, तो सरकार बैंकों जैसी संस्थाओं में ऐसी प्रथा के रोकने के लिए क्या कदम उठा रही है ?

वित्त मंत्रालय में राजस्व विभाग में राज्य मंत्री (श्री अजीत पांजा): (क) से (ङ) आयकर विभाग को एक शिकायत मिली है जिसमें यह आरोप लगाया गया है कि श्री रतन विजय पंचायती, विशेष सहायक इंदौर स्टेट बैंक वाई० एन० रोड शाखा, इन्दौर ने निधियों का दुर्विनियोग करके सम्पत्ति अर्जित कर ली है जिसमें उसने आयकर, सम्पत्ति कर आदि की चोरी की है। इन आरोपों की सत्यता का पता लगाने के लिए इस मामले की जांच-पड़ताल की जा रही है।

Faulty rural credit delivery system in State Bank of Indore

1956. SHRI ASHOK NATH VERMA: will the Minister of FINANCE be pleased to state:

(a) whether the present rural credit delivery system in State Bank of Indore is faulty and there are snags in the flow of institutional credit to the rural sector; and

(b) if so, what steps Government propose to take to improve the delivery system for toning up the rural economy?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir. From the data received from Reserve Bank of India (RBI) the performance of State Bank of Indore in the matter of providing credit to priority sector is satisfactory. Further, RBI has said that the bank on the whole has been meeting the financial requirements of the weaker sections under different segments adequately.

(b) Does not arise.